ENERGY FACILITY SITING COUNCIL
OF THE
STATE OF OREGON

Third Amended Site Certificate
for the
Klondike III Wind Project

November 16, 2007
I. INTRODUCTION

The Oregon Energy Facility Siting Council (Council) issues this site certificate for the Klondike III Wind Project (the facility) in the manner authorized under ORS Chapter 469. This site certificate is a binding agreement between the State of Oregon (State), acting through the Council, and Klondike Wind Power III LLC (certificate holder) authorizing the certificate holder to construct and operate the Klondike III Wind Project in Sherman County, Oregon.

The findings of fact, reasoning and conclusions of law underlying the terms and conditions of this site certificate are set forth in the following documents related to the facility, which are incorporated herein by this reference: (a) the Council’s Final Order on the Application and (b) the Council’s Final Orders on Amendments #1, #2 and #3. In interpreting this site certificate, any ambiguity will be clarified by reference to the following, in order of priority: (1) this Third Amended Site Certificate, (2) the Final Order on Amendment #3, (3) the Final Order on Amendment #2, (4) the Final Order on Amendment #1, (5) the Final Order on the Application and (6) the record of the proceedings that led to the Final Orders on the Application, Amendment #1, Amendment #2 and Amendment #3. [Amendments #1, #2 and #3]

The definitions in ORS 469.300 and OAR 345-001-0010 apply to terms used in this site certificate, except where otherwise stated or where the context clearly indicates otherwise.

II. SITE CERTIFICATION

1. To the extent authorized by state law and subject to the conditions set forth herein, the State authorizes the certificate holder to construct, operate and retire a wind energy facility, together with certain related or supporting facilities, at the site in Sherman County, Oregon, as described in Section III of this site certificate. ORS 469.401(1).

2. This site certificate is effective until it is terminated under OAR 345-027-0110 or the rules in effect on the date that termination is sought or until the site certificate is revoked under ORS 469.440 and OAR 345-029-0100 or the statutes and rules in effect on the date that revocation is ordered. ORS 469.401(1).

3. This site certificate does not address, and is not binding with respect to, matters that were not addressed in the Council’s Final Orders on the Application and Amendments #1, #2 and #3. Such matters include, but are not limited to: building code compliance, wage, hour and other labor regulations, local government fees and charges and other design or operational issues that do not relate to siting the facility (ORS 469.401(4)) and permits issued under statutes and rules for which the decision on compliance has been delegated by the federal government to a state agency other than the Council. 469.503(3). [Amendments #1, #2 and #3]

4. Both the State and the certificate holder shall abide by local ordinances, state law and the rules of the Council in effect on the date this site certificate is executed. ORS 469.401(2). In addition, upon a clear showing of a significant threat to public health, safety or the environment that requires application of later-adopted laws or rules, the Council may require compliance with such later-adopted laws or rules. ORS 469.401(2).
5. For a permit, license or other approval addressed in and governed by this site certificate, the certificate holder shall comply with applicable state and federal laws adopted in the future to the extent that such compliance is required under the respective state agency statutes and rules. ORS 469.401(2).

6. Subject to the conditions herein, this site certificate binds the State and all counties, cities and political subdivisions in Oregon as to the approval of the site and the construction, operation and retirement of the facility as to matters that are addressed in and governed by this site certificate. ORS 469.401(3).

7. Each affected state agency, county, city and political subdivision in Oregon with authority to issue a permit, license or other approval addressed in or governed by this site certificate shall, upon submission of the proper application and payment of the proper fees, but without hearings or other proceedings, issue such permit, license or other approval subject only to conditions set forth in this site certificate. ORS 469.401(3).

8. After issuance of this site certificate, each state agency or local government agency that issues a permit, license or other approval for the facility shall continue to exercise enforcement authority over such permit, license or other approval. ORS 469.401(3).

9. After issuance of this site certificate, the Council shall have continuing authority over the site and may inspect, or direct the Oregon Department of Energy (Department) to inspect, or request another state agency or local government to inspect, the site at any time in order to ensure that the facility is being operated consistently with the terms and conditions of this site certificate. ORS 469.430.

III. DESCRIPTION

1. The Facility

(a) The Energy Facility

The energy facility is an electric power generating plant with an average electric generating capacity of approximately 125 megawatts and a peak generating capacity of not more than 375 megawatts that produces power from wind energy. The facility consists of not more than 208 wind turbines. The energy facility is described further in the Final Orders on Amendments #1, #2 and #3. [Amendments #1, #2 and #3]

(b) Related or Supporting Facilities

The facility includes the following related or supporting facilities described below and in greater detail in the Final Order on the Amendment #1:

- Power collection system
- Substations and interconnection system
- Meteorological towers
- Operations and maintenance building
- Control system
- Access roads
- Temporary construction areas

[Amendment #1]
Power Collection System

A power collection system operating at 34.5 kilovolts (kV) transports power from each turbine to a collector substation. Most of the collection system is in underground segments but may include aboveground segments, not exceeding 12 miles in combined length, mounted on monopole support structures. Power from the eastern section of the facility is transmitted to a substation near Schoolhouse underground and aboveground 34.5-kV collector lines. [Amendment #1]

Substations and Interconnection System

The facility includes one substation located near existing Klondike I and II “Schoolhouse” facilities. The power generated by the facility interconnects with the regional transmission grid at that location. [Amendment #1]

Meteorological Towers

The facility includes three permanent meteorological (met) towers. The met towers are non-guyed steel towers approximately 80 meters in height.

Operations and Maintenance Building

The facility includes two operations and maintenance (O&M) buildings, one of approximately 5,000 square feet and one of approximately 15,000 square feet. [Amendment #3]

Control System

A fiber optic communications network links the wind turbines to a central computer at the O&M building. A “supervisory, control and data acquisition” (SCADA) system collects operating and performance data from each wind turbine and the project as a whole and provides remote operation of the wind turbines.

Access Roads

The facility includes access roads to provide access to the turbine strings. Access roads connect to graded turbine turn-out and pad areas at the base of each wind turbine. The roads are approximately 20 feet wide and constructed with crushed gravel.

Temporary Construction Areas

During construction, the facility includes temporary laydown areas used to stage construction and store supplies and equipment during construction and temporary crane paths for efficient movement of cranes between turbine strings. [Amendment #1]

2. Location of the Proposed Facility

The facility is located approximately 4 miles east of Wasco, in Sherman County, Oregon, about 5 miles south of the Columbia River. The site is in Townships 1 and 2 North and Ranges 17, 18 and 19 East Sections. The facility is located on land subject to lease agreements with several landowners.

IV. CONDITIONS REQUIRED BY COUNCIL RULES

This section lists conditions required by OAR 345-027-0020 (Mandatory Conditions in Site Certificates), OAR 345-027-0023 (Site Specific Conditions), OAR 345-027-0028 (Monitoring Conditions) and OAR Chapter 345, Division 26 (Construction and Operation Rules for Facilities). These conditions should be read together with the specific facility conditions.
listed in Section V to ensure compliance with the siting standards of OAR Chapter 345, Divisions 22 and 24, and to protect the public health and safety. In these conditions, “Office of Energy” means the Oregon Department of Energy, and the other definitions in OAR 345-001-0010 apply. [Amendment #3]

The obligation of the certificate holder to report information to the Department or the Council under the conditions listed in this section and in Section V is subject to the provisions of ORS 192.502 et seq. and ORS 469.560. To the extent permitted by law, the Department and the Council will not publicly disclose information that may be exempt from public disclosure if the certificate holder has clearly labeled such information and stated the basis for the exemption at the time of submitting the information to the Department or the Council. If the Council or the Department receives a request for the disclosure of the information, the Council or the Department, as appropriate, will make a reasonable attempt to notify the certificate holder and will refer the matter to the Attorney General for a determination of whether the exemption is applicable, pursuant to ORS 192.450. [Amendment #3]

In addition to these conditions, the site certificate holder is subject to all conditions and requirements contained in the rules of the Council and in local ordinances and state law in effect on the date the certificate is executed. Under ORS 469.401(2), upon a clear showing of a significant threat to the public health, safety or the environment that requires application of later-adopted laws or rules, the Council may require compliance with such later-adopted laws or rules.

The Council recognizes that many specific tasks related to the design, construction, operation and retirement of the facility will be undertaken by the certificate holder’s agents or contractors. Nevertheless, the certificate holder is responsible for ensuring compliance with all provisions of the site certificate.

(1) OAR 345-027-0020(1): The Council shall not change the conditions of the site certificate except as provided for in OAR Chapter 345, Division 27.

(2) OAR 345-027-0020(2): The certificate holder shall submit a legal description of the site to the Department of Energy within 90 days after beginning operation of the facility. The legal description required by this rule means a description of metes and bounds or a description of the site by reference to a map and geographic data that clearly and specifically identifies the outer boundaries that contain all parts of the facility. [Amendment #2]

(3) OAR 345-027-0020(3): The certificate holder shall design, construct, operate and retire the facility:
   (a) Substantially as described in the site certificate;
   (b) In compliance with the requirements of ORS Chapter 469, applicable Council rules, and applicable state and local laws, rules and ordinances in effect at the time the site certificate is issued; and
   (c) In compliance with all applicable permit requirements of other state agencies.

(4) OAR 345-027-0020(4): The certificate holder shall begin and complete construction of the facility by the dates specified in the site certificate. (See conditions (26) and (27).)

(5) OAR 345-027-0020(5): Except as necessary for the initial survey or as otherwise allowed for wind energy facilities, transmission lines or pipelines under this section, the certificate holder shall not begin construction, as defined in OAR 345-001-0010, or create a clearing on any part of the site until the certificate holder has construction rights on all parts of the...
site. For the purpose of this rule, “construction rights” means the legal right to engage in
construction activities. For wind energy facilities, transmission lines or pipelines, if the
certificate holder does not have construction rights on all parts of the site, the certificate
holder may nevertheless begin construction, as defined in OAR 345-001-0010, or create a
clearing on a part of the site if the certificate holder has construction rights on that part of
the site and:
(a) The certificate holder would construct and operate part of the facility on that part of
the site even if a change in the planned route of a transmission line or pipeline occurs
during the certificate holder’s negotiations to acquire construction rights on another part of
the site; or
(b) The certificate holder would construct and operate part of a wind energy facility on
that part of the site even if other parts of the facility were modified by amendment of the
site certificate or were not built.

[Amendment #2]

(6) OAR 345-027-0020(6): If the Council requires mitigation based on an affirmative finding
under any standards of Division 22 or Division 24 of this chapter, the certificate holder
shall consult with affected state agencies and local governments designated by the Council
and shall develop specific mitigation plans consistent with Council findings under the
relevant standards. The certificate holder must submit the mitigation plans to the Office and
receive Office approval before beginning construction or, as appropriate, operation of the
facility.

(7) OAR 345-027-0020(7): The certificate holder shall prevent the development of any
conditions on the site that would preclude restoration of the site to a useful, non-hazardous
condition to the extent that prevention of such site conditions is within the control of the
certificate holder.

(8) OAR 345-027-0020(8): Before beginning construction of the facility, the certificate holder
shall submit to the State of Oregon, through the Council, a bond or letter of credit in a form
and amount satisfactory to the Council to restore the site to a useful, non-hazardous
condition. The certificate holder shall maintain a bond or letter of credit in effect at all
times until the facility has been retired. The Council may specify different amounts for the
bond or letter of credit during construction and during operation of the facility. (See
Condition (32).) [Amendments #2 and #3]

(9) OAR 345-027-0020(9): The certificate holder shall retire the facility if the certificate holder
permanently ceases construction or operation of the facility. The certificate holder shall
retire the facility according to a final retirement plan approved by the Council, as described
in OAR 345-027-0110. The certificate holder shall pay the actual cost to restore the site to a
useful, non-hazardous condition at the time of retirement, notwithstanding the Council’s
approval in the site certificate of an estimated amount required to restore the site.

(10) OAR 345-027-0020(10): The Council shall include as conditions in the site certificate all
representations in the site certificate application and supporting record the Council deems to
be binding commitments made by the applicant.

(11) OAR 345-027-0020(11): Upon completion of construction, the certificate holder shall
restore vegetation to the extent practicable and shall landscape all areas disturbed by
construction in a manner compatible with the surroundings and proposed use. Upon
completion of construction, the certificate holder shall remove all temporary structures not
required for facility operation and dispose of all timber, brush, refuse and flammable or
combustible material resulting from clearing of land and construction of the facility.

[Amendment #2]

(12) OAR 345-027-0020(12): The certificate holder shall design, engineer and construct the
facility to avoid dangers to human safety presented by seismic hazards affecting the site that
are expected to result from all maximum probable seismic events. As used in this rule
"seismic hazard" includes ground shaking, landslide, liquefaction, lateral spreading,
tsunami inundation, fault displacement and subsidence.

(13) OAR 345-027-0020(13): The certificate holder shall notify the Department, the State
Building Codes Division and the Department of Geology and Mineral Industries promptly
if site investigations or trenching reveal that conditions in the foundation rocks differ
significantly from those described in the application for a site certificate. After the
Department receives the notice, the Council may require the certificate holder to consult
with the Department of Geology and Mineral Industries and the Building Codes Division
and to propose mitigation actions. [Amendment #2]

(14) OAR 345-027-0020(14): The certificate holder shall notify the Department, the State
Building Codes Division and the Department of Geology and Mineral Industries promptly
if shear zones, artesian aquifers, deformations or clastic dikes are found at or in the vicinity
of the site. [Amendment #2]

(15) OAR 345-027-0020(15): Before any transfer of ownership of the facility or ownership of
the site certificate holder, the certificate holder shall inform the Department of the proposed
new owners. The requirements of OAR 345-027-0100 apply to any transfer of ownership
that requires a transfer of the site certificate. [Amendment #2]

(16) OAR 345-027-0020(16): If the Council finds that the certificate holder has permanently
ceased construction or operation of the facility without retiring the facility according to a
final retirement plan approved by the Council, as described in OAR 345-027-0110, the
Council shall notify the certificate holder and request that the certificate holder submit a
proposed final retirement plan to the Office within a reasonable time not to exceed 90 days.
If the certificate holder does not submit a proposed final retirement plan by the specified
date, the Council may direct the Department to prepare a proposed final retirement plan
for the Council's approval. Upon the Council's approval of the final retirement plan, the
Council may draw on the bond or letter of credit described in section (8) to restore the site
to a useful, non-hazardous condition according to the final retirement plan, in addition to
any penalties the Council may impose under OAR Chapter 345, Division 29. If the amount
of the bond or letter of credit is insufficient to pay the actual cost of retirement, the
certificate holder shall pay any additional cost necessary to restore the site to a useful, non-
hazardous condition. After completion of site restoration, the Council shall issue an order to
terminate the site certificate if the Council finds that the facility has been retired according
to the approved final retirement plan. [Amendment #2]

(17) [Condition removed by Amendment #2]

(18) OAR 345-027-0023(4): If the facility includes any transmission line under Council
jurisdiction:
(a) The certificate holder shall design, construct and operate the transmission line in accordance with the requirements of the National Electrical Safety Code (American National Standards Institute, Section C2, 1997 Edition); and
(b) The certificate holder shall develop and implement a program that provides reasonable assurance that all fences, gates, cattle guards, trailers, or other objects or structures of a permanent nature that could become inadvertently charged with electricity are grounded or bonded throughout the life of the line.

[Amendment #2]

(19) OAR 345-027-0023(5): If the proposed energy facility is a pipeline or a transmission line or has, as a related or supporting facility, a pipeline or transmission line, the Council shall specify an approved corridor in the site certificate and shall allow the certificate holder to construct the pipeline or transmission line anywhere within the corridor, subject to the conditions of the site certificate. If the applicant has analyzed more than one corridor in its application for a site certificate, the Council may, subject to the Council’s standards, approve more than one corridor. [Amendment #2]

(20) OAR 345-027-0028: The following general monitoring conditions apply:
(a) The certificate holder shall consult with affected state agencies, local governments and tribes and shall develop specific monitoring programs for impacts to resources protected by the standards of Divisions 22 and 24 of this chapter and resources addressed by applicable statutes, administrative rules and local ordinances. The certificate holder must submit the monitoring programs to the Department of Energy and receive Department approval before beginning construction or, as appropriate, operation of the facility.
(b) The certificate holder shall implement the approved monitoring programs described in section (a) and monitoring programs required by permitting agencies and local governments.
(c) For each monitoring program described in sections (a) and (b), the certificate holder shall have quality assurance measures approved by the Department before beginning construction or, as appropriate, before beginning commercial operation.
(d) If the certificate holder becomes aware of a significant environmental change or impact attributable to the facility, the certificate holder shall, as soon as possible, submit a written report to the Department describing the impact on the facility and any affected site certificate conditions.

[Amendment #2]

(21) OAR 345-026-0048: Following receipt of a site certificate or an amended site certificate, the certificate holder shall implement a plan that verifies compliance with all site certificate terms and conditions and applicable statutes and rules. As a part of the compliance plan, to verify compliance with the requirement to begin construction by the date specified in the site certificate, the certificate holder shall report promptly to the Department of Energy when construction begins. Construction is defined in OAR 345-001-0010. In reporting the beginning of construction, the certificate holder shall describe all work on the site performed before beginning construction, including work performed before the Council issued the site certificate, and shall state the cost of that work. For the purpose of this exhibit, "work on the site" means any work within a site or corridor, other than surveying, exploration or other activities to define or characterize the site or corridor. The certificate
holder shall document the compliance plan and maintain it for inspection by the
Department or the Council. [Amendment #2]

(22) OAR 345-026-0080: The certificate holder shall report according to the following
requirements:
(a) General reporting obligation for energy facilities under construction or operating:
   (i) Within six months after beginning construction, and every six months thereafter
during construction of the energy facility and related or supporting facilities, the certificate
holder shall submit a semiannual construction progress report to the Department of Energy.
   In each construction progress report, the certificate holder shall describe any significant
   changes to major milestones for construction. The certificate holder shall include such
   information related to construction as specified in the site certificate. When the reporting
date coincides, the certificate holder may include the construction progress report within the
   annual report described in this rule.
   (ii) By April 30 of each year after beginning construction, the certificate holder shall
submit an annual report to the Department addressing the subjects listed in this rule. The
Council Secretary and the certificate holder may, by mutual agreement, change the
reporting date.
   (iii) To the extent that information required by this rule is contained in reports the
certificate holder submits to other state, federal or local agencies, the certificate holder may
submit excerpts from such other reports to satisfy this rule. The Council reserves the right
to request full copies of such excerpted reports.
(b) In the annual report, the certificate holder shall include the following information for
the calendar year preceding the date of the report:
   (i) Facility Status: An overview of site conditions, the status of facilities under
construction and a summary of the operating experience of facilities that are in operation. In
this section of the annual report, the certificate holder shall describe any unusual events,
such as earthquakes, extraordinary windstorms, major accidents or the like that occurred
during the year and that had a significant adverse impact on the facility.
   (ii) Reliability and Efficiency of Power Production: For electric power plants, the
plant availability and capacity factors for the reporting year. The certificate holder shall
describe any equipment failures or plant breakdowns that had a significant impact on those
factors and shall describe any actions taken to prevent the recurrence of such problems.
   (iii) Fuel Use: For thermal power plants:
      (A) The efficiency with which the power plant converts fuel into electric energy.
If the fuel chargeable to power heat rate was evaluated when the facility was sited, the
certificate holder shall calculate efficiency using the same formula and assumptions, but
using actual data; and
      (B) The facility’s annual hours of operation by fuel type and, every five years
after beginning operation, a summary of the annual hours of operation by fuel type as
described in OAR 345-024-0590(5).
   (iv) Status of Surety Information: Documentation demonstrating that bonds or letters
of credit as described in the site certificate are in full force and effect and will remain in full
force and effect for the term of the next reporting period.
   (v) Monitoring Report: A list and description of all significant monitoring and
mitigation activities performed during the previous year in accordance with site certificate
terms and conditions, a summary of the results of those activities and a discussion of any
significant changes to any monitoring or mitigation program, including the reason for any such changes.

(vi) Compliance Report: A description of all instances of noncompliance with a site certificate condition. For ease of review, the certificate holder shall, in this section of the report, use numbered subparagraphs corresponding to the applicable sections of the site certificate.

(vii) Facility Modification Report: A summary of changes to the facility that the certificate holder has determined do not require a site certificate amendment in accordance with OAR 345-027-0050.

(viii) Nongenerating Facility Carbon Dioxide Emissions: For nongenerating facilities that emit carbon dioxide, a report of the annual fuel use by fuel type and annual hours of operation of the carbon dioxide emitting equipment as described in OAR 345-024-0630(4). [Amendment #2]

(23) [Condition removed by Amendment #2]

(24) OAR 345-026-0105: The certificate holder and the Department of Energy shall exchange copies of all correspondence or summaries of correspondence related to compliance with statutes, rules and local ordinances on which the Council determined compliance, except for material withheld from public disclosure under state or federal law or under Council rules. The certificate holder may submit abstracts of reports in place of full reports; however, the certificate holder shall provide full copies of abstracted reports and any summarized correspondence at the request of the Department. [Amendment #2]

(25) OAR 345-026-0170: The certificate holder shall notify the Department of Energy within 72 hours of any occurrence involving the facility if:

(a) There is an attempt by anyone to interfere with its safe operation;

(b) A natural event such as an earthquake, flood, tsunami or tornado, or a human-caused event such as a fire or explosion affects or threatens to affect the public health and safety or the environment; or

(c) There is any fatal injury at the facility. [Amendment #2]

V. SPECIFIC FACILITY CONDITIONS

The conditions listed in this section include conditions based on representations in the site certificate application and supporting record. The Council deems these representations to be binding commitments made by the applicant. These conditions are required under OAR 345-027-0020(10). The certificate holder must comply with these conditions in addition to the conditions listed in Section IV. This section includes other specific facility conditions the Council finds necessary to ensure compliance with the siting standards of OAR Chapter 345, Divisions 22 and 24, and to protect the public health and safety. For conditions that require subsequent review and approval of a future action, ORS 469.402 authorizes the Council to delegate the future review and approval to the Department if, in the Council’s discretion, the delegation is warranted under the circumstances of the case.
1. Certificate Administration Conditions

(26) The certificate holder shall begin construction of the facility by July 12, 2009. Under OAR 345-015-0085(9), a site certificate is effective upon execution by the Council Chair and the applicant. The Council may grant an extension of the deadline to begin construction in accordance with OAR 345-027-0030 or any successor rule in effect at the time the request for extension is submitted. [Amendment #3]

(27) The certificate holder shall complete construction of the facility, including components authorized under Amendments #1 through #3, by July 12, 2011. Construction is complete when: 1) the facility is substantially complete as defined by the certificate holder’s construction contract documents, 2) acceptance testing has been satisfactorily completed and 3) the energy facility is ready to begin continuous operation consistent with the site certificate. The certificate holder shall promptly notify the Department of the date of completion of construction. The Council may grant an extension of the deadline for completing construction in accordance with OAR 345-027-0030 or any successor rule in effect at the time the request for extension is submitted. [Amendment #3]

(28) The certificate holder shall construct a facility that includes up to 208 wind turbines substantially as described in the site certificate, subject to the following restrictions on turbine selection and subject to the requirements of Condition 102:

(a) For any turbine string, the certificate holder may select any combination of GE 1.5-megawatt or Vestas V82 1.65-megawatt wind turbines.

(b) For turbine strings K, L, M, R, S, V, W and X as identified in Table 1 of the Final Order on Amendment #1, in addition to the turbine types listed in (a), the certificate holder may select any turbine type such that the hub height does not exceed 80 meters, the rotor diameter does not exceed 92.5 meters, the peak generating capacity does not exceed 2.4 megawatts and the maximum sound power level does not exceed 107 dBA, including uncertainty.

(c) Notwithstanding the restriction described in (b) and in addition to the turbine types listed in (a), the certificate holder may select any turbine type for locations K-02 as shown on Figure B-1 as described in the Final Order on Amendment #1 or MHI-1 as described in the Final Order on Amendment #2, such that the hub height does not exceed 80 meters, the rotor diameter does not exceed 92.5 meters, the peak generating capacity does not exceed 2.4 megawatts and the maximum sound power level does not exceed 110 dBA including uncertainty.

(d) For turbine strings N, U, Y, Z, AA and BB as shown on Figure 1 as described in the Final Order on Amendment #3, the certificate holder may select any turbine type such that: the hub height does not exceed 100 meters, the rotor diameter does not exceed 100 meters, the peak generating capacity does not exceed 3.0 megawatts and the maximum sound power level does not exceed 110 dBA, including uncertainty, subject to the requirements of Condition 102.

(e) Before beginning construction of turbines, the certificate holder shall identify the turbine types selected for construction and provide evidence satisfactory to the Department that the selected turbine types comply with this condition.

[Amendments #1, #2 and #3]
The certificate holder shall obtain all necessary state and local permits or approvals required for construction, operation and retirement of the facility or ensure that its contractors obtain the necessary state and local permits or approvals.

Before beginning construction, the certificate holder shall notify the Department in advance of any work on the site that does not meet the definition of “construction” in OAR 345-001-0010 or ORS 469.300 and shall provide to the Department a description of the work and evidence that its value is less than $250,000.

Before beginning construction and after considering all micrositing factors, the certificate holder shall provide to the Department a detailed map of the proposed facility, showing the final locations where facility components are proposed to be built in relation to the 300-foot and 900-foot corridors having centerlines defined by the endpoints shown on Table 1 of the Final Order on Amendment #1. [Amendments #1 and #3]

Within 60 days following the effective date of the Third Amended Site Certificate, the certificate holder shall submit to the State of Oregon through the Council an amended or replacement bond or letter of credit in the amount described herein naming the State of Oregon, acting by and through the Council, as beneficiary or payee. This bond or letter of credit will replace or amend the financial assurance required under the Second Amended Site Certificate. The amended or replacement bond or letter of credit amount is either $10.412 million (2006 dollars), to be adjusted to the date of issuance as described in (b), or the amount determined as described in (a). The certificate holder shall adjust the amount of the bond or letter of credit on an annual basis thereafter as described in (b).

(a) The certificate holder may adjust the amount of the bond or letter of credit based on the final design configuration of the facility by applying the unit costs and general costs shown in Table 1 of the Final Order on Amendment #3 to the final design and calculating the financial assurance amount as described in that order, adjusted to the date of issuance as described in (b) and subject to approval by the Department.

(b) The certificate holder shall adjust the amount of the bond or letter of credit, using the following calculation and subject to approval by the Department:

(i) Adjust the Subtotal component of the bond or letter of credit amount (expressed in 2006 dollars) to present value, using the U.S. Gross Domestic Product Implicit Price Deflator, Chain-Weight, as published in the Oregon Department of Administrative Services’ “Oregon Economic and Revenue Forecast” or by any successor agency (the “Index”) and using the annual average index value for 2006 dollars and the quarterly index value for the date of issuance of the new bond or letter of credit. If at any time the Index is no longer published, the Council shall select a comparable calculation to adjust 2006 dollars to present value.

(ii) Add 1 percent of the adjusted Subtotal (i) for the adjusted performance bond amount to determine the adjusted Gross Cost.

(iii) Add 10 percent of the adjusted Gross Cost (ii) for the adjusted administration and project management costs and 10 percent of the adjusted Gross Cost for the adjusted future developments contingency.

(iv) Add the adjusted Gross Cost (ii) to the sum of the percentages (iii) and round the resulting total to the nearest $1,000 to determine the adjusted financial assurance amount.

(c) The certificate holder shall use a form of bond or letter of credit approved by the Council.
(d) The certificate holder shall use an issuer of the bond or letter of credit approved by
the Council.

(e) The certificate holder shall describe the status of the bond or letter of credit in the
annual report submitted to the Council under Condition 22.

(f) The bond or letter of credit shall not be subject to revocation or reduction before
retirement of the facility site.

[Amendments #1, #2 and #3]

(33) If the certificate holder elects to use a bond to meet the requirements of Condition 32, the
certificate holder shall ensure that the surety is obligated to comply with the requirements
of applicable statutes, Council rules and this site certificate when the surety exercises any
legal or contractual right it may have to assume construction, operation or retirement of the
energy facility. The certificate holder shall also ensure that the surety is obligated to notify
the Council that it is exercising such rights and to obtain any Council approvals required by
applicable statutes, Council rules and this site certificate before the surety commences any
activity to complete construction, operate or retire the energy facility. [Amendment #3]

(34) Before beginning construction, the certificate holder shall notify the Department of the
identity and qualifications of the engineering, procurement and construction ("EPC")
contractor(s) for specific portions of the work. The certificate holder shall select EPC
contractors that have substantial experience in the design and construction of similar
facilities. The certificate holder shall report to the Department any change of major
construction contractors.

(35) The certificate holder shall contractually require all construction contractors and
subcontractors involved in the construction of the facility to comply with all applicable
laws and regulations and with the terms and conditions of the site certificate. Such
contractual provisions shall not operate to relieve the certificate holder of responsibility
under the site certificate.

(36) During construction, the certificate holder shall have an on-site assistant construction
manager who is qualified in environmental compliance to ensure compliance with all
construction-related site certificate conditions. During operation, the certificate holder shall
have a project manager who is qualified in environmental compliance to ensure compliance
with all ongoing site certificate conditions. The certificate holder shall notify the
Department of the name, telephone number, fax number and e-mail address of these
managers and shall keep the Department informed of any change in this information.

(37) Within 72 hours after discovery of conditions or circumstances that may violate the terms
or conditions of the site certificate, the certificate holder shall report the conditions or
circumstances to the Department.

(38) Notwithstanding OAR 345-027-0050(2), an amendment of the site certificate is required if
the proposed change would increase the electrical generation capacity of the facility and
would increase the number of wind turbines or the dimensions of existing wind turbines.

2. Land Use Conditions

(39) The certificate holder shall construct the public road improvements described in the site
certificate application to meet or exceed road standards for the road classifications in the
County’s Transportation System Plan and Zoning Ordinance because roads will require a
more substantial section to bear the weight of the vehicles and turbine components than
would usually be constructed by the County.

(40) The certificate holder shall cooperate with the Sherman County Road Department to ensure
that any unusual damage or wear caused by construction of the facility is repaired by the
certificate holder. Upon completion of construction, the certificate holder shall restore the
county roads to at least their pre-project condition, to the satisfaction of the county public
works department.

(41) The certificate holder shall ensure that no equipment or machinery is parked or stored on
any county road except while in use.

(42) The certificate holder shall not locate any aboveground facility structure (including wind
turbines, O&M building, substations and meteorological towers but not including
aboveground transmission lines and junction boxes) within 30 feet from any property line
or within 50 feet from the right-of-way of any arterial or major collector road or street and
shall not allow any architectural feature, as described in Sherman County Zoning Ordinance
Section 4.2, to project into these required setbacks by more than 2 feet.

(43) The certificate holder shall locate aboveground transmission lines, junction boxes, access
roads and temporary construction laydown and staging areas to minimize disturbance with
farming practices and, wherever feasible, shall place turbines and transmission
interconnection lines along the margins of cultivated areas to reduce the potential for
conflict with farm operations. The certificate holder shall place aboveground transmission
lines and junction boxes along public road rights-of-way to the extent practicable. The
certificate holder shall place underground transmission lines and supervisory, control and
data acquisition (SCADA) system cables at least 36 inches below the surface of the ground.

[Amendment #1]

(44) The certificate holder shall include traffic control procedures in contract specifications for
construction of the facility. The certificate holder shall require flaggers to be at appropriate
locations at appropriate times during construction to direct traffic and to ensure minimal
conflicts between harvest and construction vehicles. The certificate holder shall submit a
final transportation plan to Sherman County before beginning construction.

(45) Before beginning construction of the facility, the certificate holder shall record Farm
Management Easements on the properties on which the certificate holder locates wind
power generation facilities. The certificate holder shall record these easements in the real
property records of Sherman County and shall file copies of the recorded easements with
the Sherman County Planning Director.

(46) The certificate holder shall remove from Special Farm Assessment the properties on which
it locates the facility and shall pay all property taxes due and payable after the Special Farm
Assessment is removed from such properties.

(47) During operation, the certificate holder shall avoid impact on cultivated land to the extent
reasonably possible when performing facility repair and maintenance activities.
3. Cultural Resource Conditions

(48) Before beginning construction, the certificate holder shall provide to the Department a map showing the final design locations of all components of the facility and areas that would be temporarily disturbed during construction and also showing the areas that Archaeological Investigations Northwest, Inc. (AINW) surveyed in 2005, 2006 and 2007, as described in the site certificate application and the Request for Amendments #1, #2 and #3. In addition, the certificate holder shall comply with the following requirements:

(a) If the final design of the facility could result in ground disturbance at specific resource sites or within high-probability areas identified by AINW in the June 2006 survey, the certificate holder shall hire qualified personnel to conduct the resurvey or test excavations recommended by AINW in the report on that survey.

(b) The certificate holder shall hire qualified personnel to conduct field investigation of all areas of permanent or temporary disturbance that AINW did not previously survey.

(c) The certificate holder shall provide written reports of the surveys, excavations and field investigations required under (a) and (b) to the Department and to the State Historic Preservation Office (SHPO). If any historic, cultural or archaeological resources are found and are determined significant by the SHPO, the certificate holder shall ensure that construction and operation of the facility will have no impact on the resources. The certificate holder shall instruct all construction personnel to avoid the areas where the resources were found and shall implement other appropriate measures to protect the resources.

(d) The certificate holder shall avoid impacts within a 30-meter buffer area around the 15 archaeological resources recommended for avoidance in the June 2007 AINW report. If avoidance is not feasible, the certificate holder shall hire qualified personnel to conduct systematic test excavations to assess the significance of the resources affected.

(e) The certificate holder shall avoid impacts to the area of the historic homestead recommended as eligible for listing in the National Register of Historic Places in the 2007 AINW report.

[Amendments #1 and #3]

(49) The certificate holder shall ensure that a qualified person instructs construction personnel in the identification of cultural materials.

(50) The certificate holder shall ensure that construction personnel cease all ground-disturbing activities in the immediate area if any archaeological or cultural resources are found during construction of the facility until a qualified archaeologist can evaluate the significance of the find. The certificate holder shall notify the Department and the State Historic Preservation Office (SHPO) of the find. If the archaeologist determines that the resource is significant, the certificate holder shall make recommendations to the Council for mitigation, including avoidance or data recovery, in consultation with the Department, SHPO and other appropriate parties. The certificate holder shall not restart work in the affected area until the certificate holder has demonstrated to the Department that it has complied with the archaeological permit requirements administered by SHPO.

(51) The certificate holder shall ensure that construction personnel proceed carefully in the vicinity of the mapped alignment of the Oregon Trail. If any intact physical evidence of the trail is discovered, the certificate holder shall avoid any disturbance to the intact segments,
by redesign, re-engineering or restricting the area of construction activity. The certificate
holder shall promptly notify the Department and the State Historic Preservation Office
(SHPO) of the discovery. The certificate holder shall consult with the Department and with
SHPO to determine appropriate mitigation measures.

(52) To offset adverse visual effects to the setting of the Oregon Trail alignment, the certificate
holder shall:
(a) Document the pre-construction setting of the Oregon Trail alignment from the John
Day River canyon to Biggs through photographs and videotape; and
(b) Enhance the existing Oregon Trail historical marker off I-84 at Biggs with an
additional educational and interpretive display in cooperation with the Sherman County
Development League and the Sherman County Historical Society.

4. Geotechnical Conditions

(53) Before beginning construction, the certificate holder shall submit a description of site-
specific geotechnical work that will be performed before construction. The certificate
holder shall conduct the pre-construction site-specific geotechnical investigation and shall
report its findings to the Oregon Department of Geology & Mineral Industries (DOGAMI).
The certificate holder shall conduct the geotechnical investigation after consultation with
DOGAMI and shall submit a geologic report meeting the guidance contained in the
DOGAMI Open File 00-04 (2000) “Guidelines for Engineering Geologic Reports and Site-
Specific Seismic Hazard Reports.” [Amendment #3]

(54) The certificate holder shall design and construct the facility in accordance with
requirements set forth by the State of Oregon’s Building Code Division and any other
applicable codes and design procedures.

(55) The certificate holder shall design, engineer and construct the facility to avoid dangers to
human safety presented by non-seismic hazards. As used in this condition, “non-seismic
hazards” include settlement, landslides, flooding and erosion.


(56) The certificate holder shall notify the Department within 72 hours of any accidents
including mechanical failures on the site associated with construction or operation of the
facility that may result in public health and safety concerns.

(57) Before beginning construction, the certificate holder shall submit a Notice of Proposed
Construction or Alteration to the Federal Aviation Administration (FAA) identifying the
proposed final locations of the turbines and related or supporting facilities. The certificate
holder shall notify the Department of the FAA’s response as soon as it has been received.

(58) To protect the public from electrical hazards, the certificate holder shall enclose the facility
substations with appropriate fencing and locked gates.

(59) For those turbines constructed as of November 16, 2007, the certificate holder shall
maintain a minimum distance of 450 feet between the centerline of the turbine tower and
the centerline of any public road. For those turbines constructed after November 16, 2007,
the certificate holder shall maintain a minimum distance of 450 feet or 110-percent of the
maximum blade tip height of the nearest turbine, whichever is greater, between the
centerline of the turbine towers and the centerline of any public road. The certificate holder shall maintain a minimum distance of 1,250 feet between the nearest turbine tower and any residence existing at the time of construction, measured from the centerline of the turbine tower to the center of the house. [Amendment #3]

(60) The certificate holder shall construct turbine towers that are smooth steel structures with no exterior ladders or access to the turbine blades and shall install locked access doors accessible only to authorized personnel.

(61) The certificate holder shall follow manufacturers’ recommended handling instructions and procedures to prevent damage to towers or blades that could lead to failure.

(62) The certificate holder shall have an operational safety monitoring program and shall inspect turbine blades on a regular basis for signs of wear. The certificate holder shall repair turbine blades as necessary to protect public safety.

(63) The certificate holder shall install and maintain self-monitoring devices on each turbine, connected to a fault annunciation panel or supervisory, control and data acquisition (SCADA) system at the operations and maintenance building, to alert operators to potentially dangerous conditions, and the certificate holder shall immediately remedy any dangerous conditions. The certificate holder shall maintain automatic equipment protection features in each turbine that would shut down the turbine and reduce the chance of a mechanical problem causing a fire.

(64) The certificate holder shall install generator step-up transformers at the base of each tower in locked cabinets designed to protect the public from electrical hazards and to avoid creation of artificial habitat for raptor prey.

(65) The certificate holder shall construct turbines on concrete foundations and shall cover the ground within a minimum 10-foot radius with non-flammable material. The certificate holder shall maintain the non-flammable pad area covering during operation of the facility.

(66) During construction and operation of the facility, the certificate holder shall develop and implement fire management plans in consultation with local fire control authorities to minimize the risk of fire and to respond appropriately to any fires that occur on the facility site. In developing the fire management plans, the certificate holder should take into account the dry nature of the region and should address risks on a seasonal basis.

(67) During construction and operation of the facility, the certificate holder shall ensure that service vehicles are equipped with a shovel and portable fire extinguisher of a 4A50BC or equivalent rating.

(68) During construction, the certificate holder shall ensure that construction vehicles and equipment are operated on gravelled areas to the extent possible and that open flames, such as cutting torches, are kept away from dry grass areas.

(69) Upon the beginning of operation of the facility, the certificate holder shall provide to the North Sherman County Rural Fire Protection District and to the Moro Rural Fire Protection District copies of the approved site plan indicating the identification number assigned to each turbine and the location of all facility structures. During operation of the facility, the certificate holder shall provide to the North Sherman County Rural Fire Protection District and to the Moro Rural Fire Protection District the names and telephone numbers of facility
personnel available to respond on a 24-hour basis in case of an emergency on the facility site.

(70) During operation, the certificate holder shall ensure that all on-site employees receive annual fire prevention and response training by qualified instructors or members of the local fire department and that all employees are instructed to keep vehicles on roads and off dry grassland, except when off-road operation is required for emergency purposes.

(71) During construction, the certificate holder shall require that all on-site construction contractors develop and implement a site health and safety plan that informs workers and others on-site what to do in case of an emergency and that includes the locations of fire extinguishers and nearby hospitals, important telephone numbers and first aid techniques.

(72) During operation, the certificate holder shall develop and implement a site health and safety plan that informs employees and others on-site what to do in case of an emergency and that includes the locations of fire extinguishers and nearby hospitals, important telephone numbers and first aid techniques.

(73) The certificate holder shall use hazardous materials in a manner that protects public health, safety and the environment and shall comply with all applicable local, state and federal environmental laws and regulations.

(74) If a spill or release of hazardous materials occurs during construction or operation of the facility, the certificate holder shall notify the Department within 72 hours and shall clean up the spill or release and dispose of any contaminated soil or other materials according to applicable regulations. The certificate holder shall make sure that spill kits containing items such as absorbent pads are located on equipment and storage facilities to respond to accidental spills and shall instruct employees handling hazardous materials in the proper handling, storage and cleanup of these materials.

(75) Before beginning construction, the certificate holder shall cooperate with the Oregon Department of Transportation to implement public safety improvements to the shoulders of State Highway 206 by bearing the cost of constructing two viewpoint turn-offs (one on each side of the highway) within the highway right-of-way in suitable locations from where the public may safely view the wind turbines without entering private property or interfering with facility operations.

6. Water, Soils, Streams & Wetlands Conditions

(76) The certificate holder shall conduct all construction work in compliance with an Erosion and Sediment Control Plan (ESCP) satisfactory to the Oregon Department of Environmental Quality and as required under the National Pollutant Discharge Elimination System (NPDES) Storm Water Discharge General Permit #1200-C. The certificate holder shall include in the ESCP any procedures necessary to meet local erosion and sediment control requirements and storm water management requirements.

(77) During construction, the certificate holder shall limit truck traffic to designated existing and improved road surfaces to avoid soil compaction, to the extent possible.

(78) The certificate holder shall cover turbine pad areas with gravel or other non-erosive material immediately following exposure during construction and shall maintain the pad area covering during operation of the facility.
(79) During construction, the certificate holder shall avoid impacts to waters of the state in the following manner:

(a) The certificate holder shall bore under the intermittent drainage channel identified in Appendix J-1 of the site certificate application in any location where the underground collector system would cross the channel.

(b) The certificate holder shall locate transmission line support structures outside of the drainage channel and the wetland identified in Appendix J-1 of the site certificate application in any location where an aboveground transmission line crosses over the channel or the wetland area.

(c) After the final turbine design locations have been identified, if construction would occur in any locations not previously investigated as described in Appendix J-1 of the application, the certificate holder shall conduct a pre-construction investigation to determine whether any jurisdictional waters of the state exist in those locations. The certificate holder shall submit a written report on the pre-construction investigation to the Department of Energy and to the Department of State Lands for approval before beginning construction and shall ensure that construction of the facility would have no impact on any jurisdictional water identified in the pre-construction investigation.

(80) During construction, the certificate holder shall ensure that the wash down of concrete trucks occurs only at a contractor-owned batch plant or at tower foundation locations. If such wash down occurs at tower foundation locations, then the certificate holder shall ensure that wash down wastewater does not run off the construction site into otherwise undisturbed areas and that the wastewater is disposed of on backfill piles and buried underground with the backfill over the tower foundation.

(81) The certificate holder shall restore areas that are temporarily disturbed during construction according to the methods, monitoring procedures and success criteria described in the Revegetation Plan that is incorporated in the Final Order on the Application as Attachment B and as amended from time to time. During operation, the certificate holder shall restore areas that are temporarily disturbed during facility maintenance or repairs according to the same methods and monitoring procedures.

(82) During facility operation, the certificate holder shall routinely inspect and maintain all roads, pads and trenched areas and, as necessary, maintain or repair erosion control measures.

(83) During operation, the certificate holder shall not use more than a combined total of 5,000 gallons of water per day from the facility’s on-site wells. The certificate holder shall not use any water or chemicals for washing turbine blades unless the certificate holder demonstrates to the satisfaction of the Department before any blade-washing begins that:

(a) Oregon Department of Environmental Quality (DEQ) regulations do not require a permit for the proposed blade-washing activity or, if a permit is required, that the proposed blade-washing activity is authorized under a general permit issued by DEQ; and

(b) In conducting blade-washing activities, the certificate holder will use water only from its approved on-site wells.

[Amendment #3]
7. Transmission Line & EMF Conditions

(84) The certificate holder shall install the 34.5-kV collector system underground to the extent practical. Where geotechnical conditions or other engineering considerations require, the certificate holder may install segments of the collector system aboveground in developed or agricultural areas that are Category 6 habitat, but the total length of aboveground segments must not exceed 12 miles. The certificate holder shall construct aboveground segments of the collector system using single or double circuit monopole design as described in the site certificate application and shall not locate any aboveground segments within 200 feet of any existing residence. [Amendment #1]

(85) At least 30 days before beginning preparation of detailed design and specifications for the electrical transmission lines, the certificate holder shall consult with the Oregon Public Utility Commission staff to ensure that transmission line designs and specifications are consistent with applicable codes and standards.

(86) Before beginning construction of facility components authorized by the Final Order on the Application, the certificate holder shall obtain a permit, substantially in the form of the draft permit incorporated in the Final Order on the Application as Attachment D, from the Oregon Department of Transportation (ODOT) authorizing the location, installation, construction, maintenance and use of buried cables within the right-of-way of State Highway 206. Before beginning construction of facility transmission or distribution lines crossing Highway 206 authorized by the Final Order on Amendment #3, the certificate holder shall obtain a permit or permits from ODOT after submitting the necessary applications in a form satisfactory to ODOT and the Department and subject to conditions required under OAR 734 Chapter 55, authorizing the location, installation, construction, maintenance and use of buried or aboveground transmission or distribution lines crossing Highway 206. Before beginning construction of a new highway approach authorized by the Final Order on Amendment #3, the certificate holder shall obtain a permit or permits from ODOT after submitting the necessary applications in a form satisfactory to ODOT and the Department and subject to conditions required under OAR 734 Chapter 51, authorizing the location, construction and maintenance of an approach to State Highway 206 for access to turbines located west of the highway. [Amendment #3]

(87) To protect public safety, the certificate holder shall design and maintain the transmission lines so that:

(a) Alternating current electric fields during operation do not exceed 9 kV per meter at one meter above the ground surface in areas accessible to the public.

(b) Induced voltages during operation are as low as reasonably achievable.

(88) The certificate holder shall take reasonable steps to reduce or manage human exposure to electromagnetic fields, including but not limited to:

(a) Constructing aboveground segments of the 34.5-kV transmission line to ensure that conductors have a minimum clearance of 25 feet from the ground at mid-span under maximum sag conditions.

(b) Constructing underground segments of the 34.5-kV transmission line at least 36-inches below the surface of the ground.

(c) Providing to landowners a map of underground and overhead transmission lines on their property and advising landowners of possible health risks.
8. Plants, Wildlife & Habitat Protection Conditions

(89) During construction and operation of the facility, the certificate holder shall implement a plan to control the introduction and spread of noxious weeds. The certificate shall develop the weed control plan in consultation with the Sherman County Weed Control Manager.

(90) The certificate holder shall design all aboveground transmission line support structures following the practices suggested by the Avian Powerline Interaction Committee (APLIC 1996, referenced in the site certificate application, p. P-33) and shall install anti-perching devices on transmission pole tops and cross arms where the poles are located within ½ mile of turbines.

(91) If construction begins after 2006, the certificate holder shall review the ONHIC and USFWS databases and consult with Frank Isaacs, Oregon State University Cooperative Wildlife Unit (or other expert designated by ODFW) on an annual basis before beginning construction to determine whether bald eagles or peregrine falcons have been observed in or near the site of the facility. The certificate holder shall report the results of the database review and consultation to the Department and to ODFW and, if there have been new observations of bald eagles or peregrine falcons in the area, the certificate holder shall implement appropriate measures to protect the species from adverse impact, as approved by the Department and ODFW.

(92) The certificate holder may construct turbines and other facility components within 900-foot corridors having centerlines defined by the endpoints shown on Table 1 of the Final Order on Amendment #1, within the MHI-1 micrositing area described in the Final Order on Amendment #2 and within the micrositing areas for turbine strings N, U, Y, Z, AA and BB as described in the Final Order on Amendment #3, subject to the following requirements addressing potential habitat impact and subject to the requirements of Condition 102:

(a) The certificate holder shall not construct any facility components within areas of Category 1 habitat and shall avoid temporary disturbance of Category 1 habitat.

(b) The certificate holder shall design and construct facility components that are the minimum size needed for safe operation of the energy facility.

(c) To the extent possible, the certificate holder shall construct facility components, not including components authorized by the Final Order on Amendment #3, in the locations shown on Figure C-2 of the site certificate application.

(d) If the certificate holder must change the layout of facility components, not including components authorized by the Final Order on Amendment #3, from what is shown on Figure C-2 due to micrositing considerations, the certificate holder shall, to the extent possible, construct facility components within 300-foot corridors having centerlines defined by the endpoints shown on Table 1 of the Final Order on Amendment #1 or within the MHI-1 micrositing area described in the Final Order on Amendment #2.

(e) The certificate holder may construct facility components outside the 300-foot corridors if necessary due to micrositing considerations, except that the certificate holder shall not construct any facility components, not including components authorized by the Final Order on Amendment #3, outside the areas within the 900-foot corridors having centerlines defined by the endpoints shown on Table 1 of the Final Order on Amendment...
#1 or the MHI-1 micrositing area described in the Final Order on Amendment #2 or cause any temporary disturbance outside those areas.

[Amendments #1, #2 and #3]

(93) The certificate holder shall implement measures to mitigate impacts to sensitive wildlife habitat during construction including, but not limited to, the following:

(a) Preparing maps to show sensitive areas, such as nesting or denning areas for sensitive wildlife species, that are off limits to construction personnel.

(b) Ensuring that a qualified person instructs construction personnel to be aware of wildlife in the area and to take precautions to avoid injuring or destroying wildlife or significant wildlife habitat.

(c) Avoiding unnecessary road construction, temporary disturbance and vehicle use.

(94) During construction, the certificate holder shall protect the area within a 1300-foot buffer around active nests of the following species during the sensitive period, as provided in this condition:

<table>
<thead>
<tr>
<th>Species</th>
<th>Sensitive Period</th>
<th>Early Release Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Swainson’s hawk</td>
<td>April 1 to August 15</td>
<td>May 31</td>
</tr>
<tr>
<td>Golden eagle</td>
<td>February 1 to August 31</td>
<td>May 31</td>
</tr>
<tr>
<td>Ferruginous hawk</td>
<td>March 15 to August 15</td>
<td>May 31</td>
</tr>
<tr>
<td>Burrowing owl</td>
<td>April 1 to August 15</td>
<td>July 15</td>
</tr>
</tbody>
</table>

During the year in which construction occurs, the certificate holder shall use a protocol approved by the Oregon Department of Fish and Wildlife (ODFW) to determine whether there are any active nests of these species within a half-mile of any areas that would be disturbed during construction. If a nest is occupied by any of these species after the beginning of the sensitive period, the certificate holder shall not engage in high-impact construction activities (activities that involve blasting, grading or other major ground disturbance) or allow high levels of construction traffic within 1300 feet of the nest site. In addition, the certificate holder will flag the boundaries of the 1300-foot buffer area and shall instruct construction personnel to avoid any unnecessary activity within the buffer area. The certificate holder shall hire an independent biological monitor to observe the active nest sites during the sensitive period for signs of disturbance and to notify the Department of any non-compliance with this condition. If the monitor observes nest site abandonment or other adverse impact to nesting activity, the certificate holder shall implement appropriate mitigation, in consultation with ODFW and subject to the approval of the Department, unless the adverse impact is clearly shown to have a cause other than construction activity. The certificate holder may begin or resume high-impact construction activities before the ending day of the sensitive period if any known nest site is not occupied by the early release date. If a nest site is occupied, then the certificate holder may begin or resume high-impact construction before the ending day of the sensitive period with the approval of ODFW, after the young are fledged. The certificate holder shall use a protocol approved by ODFW to determine when the young are fledged (the young are independent of the core nest site).

(95) The certificate holder shall conduct wildlife monitoring as described in the Wildlife Monitoring and Mitigation Plan that is incorporated in the Final Order on the Application as Attachment A and as amended from time to time.
To mitigate for potential adverse impacts to bat species, the certificate holder shall contribute $10,000 per year for three years, beginning in the first year of operation, to fund research toward better understanding wind facility impacts to bats and to develop mitigation solutions. In consultation with the Oregon Department of Energy and the Oregon Department of Fish and Wildlife, the certificate holder shall select an appropriate bat conservation organization to receive this funding.

Before beginning construction of the facility, the certificate holder shall acquire the legal right to create, maintain and protect a habitat mitigation area for the life of the facility by means of an outright purchase, conservation easement or similar conveyance and shall provide a copy of the documentation to the Department. Within the habitat mitigation area, the certificate holder shall improve the habitat quality as described in the Habitat Mitigation Plan that is incorporated in the Final Order on the Application as Attachment C and as amended from time to time.

9. Visual Effects Conditions

To reduce the visual impact of the facility, the certificate holder shall:

- Mount nacelles on smooth, hollow steel towers, approximately 20 feet in diameter at the base.
- Paint all towers uniformly in a neutral white or light gray color.
- Paint the substation buildings in a neutral color to blend with the surrounding landscape.
- Not allow any advertising to be used on any part of the facility or on any signs posted at the facility, except that the turbine manufacturer’s logo may appear on turbine nacelles.
- Use only those signs required for facility safety or required by law, except that the certificate holder may erect a sign near each operations and maintenance building to identify the wind energy facility.
- Maintain any signs allowed under this condition in good repair.

The certificate holder shall design and construct the operation and maintenance building to be generally consistent with the character of similar buildings used by commercial farmers or ranchers in the area and shall paint the buildings in a neutral color to blend with the surrounding landscape.

The certificate holder shall not use exterior nighttime lighting except:

- The minimum turbine tower lighting required by the Federal Aviation Administration.
- Security lighting at the operations and maintenance buildings and at the substations, provided that such lighting is shielded or downward-directed to reduce glare.
- Minimum lighting necessary for repairs or emergencies.

10. Noise Control Conditions

To reduce noise impacts at nearby residential areas, the certificate holder shall:

- Confine the noisiest operation of heavy construction equipment to the daylight hours.
- Require contractors to install and maintain exhaust mufflers on all combustion engine-powered equipment; and
(c) Establish a complaint response system at the construction manager’s office to address noise complaints.

(102) The certificate holder shall present information demonstrating to the satisfaction of the Department that the requirements of (a), (b) and (c) have been met.

(a) Before beginning construction of turbines F-05, F-06, F-07, F-08 and J-01 as shown on Figure B-1 described in the Final Order on Amendment #1, the certificate holder must obtain a legally effective easement or real covenant from the owner of property R3 (as identified in the Final Order on Amendment #3) pursuant to which the owner of the property authorizes the certificate holder’s operation of the facility to increase ambient statistical noise levels L_{10} and L_{50} by more than 10 dBA at the appropriate measurement point. A legally effective easement or real covenant shall: include a legal description of the burdened property (the noise sensitive property); be recorded in the real property records of the county; expressly benefit the certificate holder; expressly run with the land and bind all future owners, lessees or holders of any interest in the burdened property; and not be subject to revocation without the certificate holder’s written approval. If the certificate holder cannot obtain the legally effective easement or real covenant described above, the certificate holder must identify the turbine type and the final design locations of all turbines to be built in the F and J strings and perform a noise analysis, in accordance with OAR 340-035-0035(1)(b)(B)(iii)(IV) and using input parameters approved by the Department, demonstrating to the satisfaction of the Department that the total noise generated by the facility would meet the ambient degradation test at the appropriate measurement point when all turbines are placed in their final design locations.

(b) Before installing a turbine tower in the MHI-1 micrositing area (as identified in the Final Order on Amendment #2), the certificate holder must obtain a legally effective easement or real covenant (as described in (a)) from the owner of property R8 (as identified in the Final Order on Amendment #3) pursuant to which the owner of the property authorizes the certificate holder’s operation of the facility to increase ambient statistical noise levels L_{10} and L_{50} by more than 10 dBA at the appropriate measurement point. If the certificate holder cannot obtain the legally effective easement or real covenant described above, the certificate holder must identify the turbine type and the final design location of the turbine to be built in the MHI-1 micrositing area and perform a noise analysis, in accordance with OAR 340-035-0035(1)(b)(B)(iii)(IV) and using input parameters approved by the Department, demonstrating to the satisfaction of the Department that the total noise generated by the facility would meet the ambient degradation test at the appropriate measurement point when all turbines are placed in their final design locations.

(c) The certificate holder shall not install turbines that have a maximum sound power level greater than 106 dBA, including uncertainty, in strings N, U, Y, Z, AA and BB, except as allowed in this condition. The certificate holder shall locate the turbines within these strings according to the “Proposed GE Turbine Layout” (as described in the Final Order on Amendment #3). Before beginning construction of turbines in these strings, the certificate holder must obtain a legally effective easement or real covenant (as described in (a)) from the owners of properties R6, R7, R8 and R14 (as identified in the Final Order on Amendment #1) pursuant to which the owners of the properties authorize the certificate holder’s operation of the facility to increase ambient statistical noise levels L_{10} and L_{50} by more than 10 dBA at the appropriate measurement points. If the certificate holder cannot obtain the legally effective easements or real covenants described above or if the certificate
holder elects to use turbines that have a maximum sound power level greater than 106 dBA
or to deviate from the “Proposed GE Turbine Layout,” the certificate holder must identify
the turbine type and the final design location of the turbines to be built in strings N, U, Y,
Z, AA and BB and perform a noise analysis, in accordance with OAR 340-035-
0035(1)(b)(B)(iii)(IV) and using input parameters approved by the Department,
demonstrating to the satisfaction of the Department that the total noise generated by the
facility would meet the ambient degradation test at the appropriate measurement points
when all turbines are placed in their final design locations.

[Amendments #1 and #3]

11. Waste Management Conditions

(103) The certificate holder shall provide portable toilets for on-site sewage handling during
construction and shall ensure that they are pumped and cleaned regularly by a licensed
contractor who is qualified to pump and clean portable toilet facilities.

(104) During operation, the certificate holder shall discharge sanitary wastewater generated at the
O&M buildings to licensed on-site septic systems in compliance with county permit
requirements. The certificate holder shall design the septic systems for a capacity of less
than 2,500 gallons per day at each O&M building. [Amendment #3]

(105) The certificate holder shall implement a waste management plan during construction that
includes but is not limited to the following measures:
(a) Training employees to minimize and recycle solid waste.
(b) Minimizing the generation of wastes from construction through detailed estimating of
materials needs and through efficient construction practices.
(c) Recycling steel and other metal scrap.
(d) Recycling wood waste.
(e) Recycling packaging wastes such as paper and cardboard.
(f) Collecting non-recyclable waste for transport to a landfill by a licensed waste hauler
(g) Segregating all hazardous wastes such as used oil, oily rags and oil-absorbent
materials, mercury-containing lights and lead-acid and nickel-cadmium batteries for
disposal by a licensed firm specializing in the proper recycling or disposal of hazardous
wastes.

(106) The certificate holder may dispose of waste concrete on site with the permission of the
landowner and in accordance with OAR 340-093-0080 and other applicable regulations.
The certificate holder shall dispose of waste concrete on site by placing the material in an
excavated hole, covering it with at least three feet of topsoil and grading the area to match
existing contours. If the waste concrete is not disposed of on site, the certificate holder shall
arrange for proper disposal in a landfill.

(107) The certificate holder shall implement a waste management plan during operation that
includes but is not limited to the following measures:
(a) Training employees to minimize and recycle solid waste.
(b) Recycling paper products, metals, glass and plastics.
(c) Collecting non-recyclable waste for transport to a landfill by a licensed waste hauler.
(d) Segregating all hazardous wastes such as used oil, oily rags and oil-absorbent
materials, mercury-containing lights and lead-acid and nickel-cadmium batteries for
VI. SUCCESSORS AND ASSIGNS

To transfer this site certificate or any portion thereof or to assign or dispose of it in any other manner, directly or indirectly, the certificate holder shall comply with OAR 345-027-0100.

VII. SEVERABILITY AND CONSTRUCTION

If any provision of this agreement and certificate is declared by a court to be illegal or in conflict with any law, the validity of the remaining terms and conditions shall not be affected, and the rights and obligations of the parties shall be construed and enforced as if the agreement and certificate did not contain the particular provision held to be invalid.

VIII. GOVERNING LAW AND FORUM

This site certificate shall be governed by the laws of the State of Oregon. Any litigation or arbitration arising out of this agreement shall be conducted in an appropriate forum in Oregon.

IX. EXECUTION

This site certificate may be executed in counterparts and will become effective upon signature by the Chair of the Energy Facility Siting Council and the authorized representative of the certificate holder.

IN WITNESS WHEREOF, this site certificate has been executed by the State of Oregon, acting by and through its Energy Facility Siting Council, and by Klondike Wind Power III LLC.

ENERGY FACILITY SITING COUNCIL

By: [Signature]
David Ripma, Chair
Oregon Energy Facility Siting Council
Date: [Date]

KLONDIKE WIND POWER III LLC

By: [Signature]
Ty Dauf
Vice President
Print: [Print Name]
Date: [Date]

PPM Wind Energy LLC, the Manager of Aeolus Wind Power IV LLC, the Sole Member and Manager of Klondike Wind Power III LLC

Approved as to form

KLONDIKE III WIND PROJECT
THIRD AMENDED SITE CERTIFICATE – November 16, 2007